Indian Construction Companies in Iraq

1923. SHRI BIR BHADRA PRATAP SINGH: Will the Minister of COMMERCE be pleased to state:

(a) whether the Indian Construction companies working in Iraq are in deep crisis because of Iraq's failure to meet the deferred payments due to these firms;

(b) what is the payment deferment period, payment schedule and interest rate for the deferred payments, as per each of the four annual agreements from 1983 to 1986 between the Governments of India and Iraq;

(c) what is the deferred amount due to the Indian companies for each of the four years separately, including interest;

(d) what is the amount due on the first, second, third and fourth instalments of the 1983 deferred payments separately;

(e) what is the progress on recovery of the first instalment of 1983 deferred payments which became due in August, 1985; and

(f) what is the quantity and value of crude oil and sulphur taken by India from Iraq in lieu of payments for each year from 1983 to 1985 and that agreed for 1986?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHM DUTT): (a) The Indian construction companies are facing difficulty due to delay in receiving payment from Iraq and therefore, they are being given appropriate foreign currency overdrafts and rupee loans by the Indian financial institutions.

(b) to (f) The Government of India has entered into four deferred payment agreements with the Government of Iraq from 1983 to 1986 for settlement of the amount due to Indian companies. Some of these agreements provide for supplies of Sulphur and Crude oil also. It is not in the public interest to disclose the details of these agreements.

Payments due to Indian construction Companies from Iraq and Libya

1924. SHRI BHAGATRAM MANHAR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Indian construction companies in Iraq and Libya are not getting payments due to them;

(b) what is the total payment due to the Indian companies in Iraq and Libya separately in December, 1985 and in June, 1986;

(c) what is the value of business for construction projects booked by Export Credit Guarantee Corporation for Iraq and Libya, separately, in 1983, 1984, 1985 and for each of the first six months of 1986;

(d) what is the value of bids for construction projects cleared by the working group of EXIM Bank for Iraq and Libya separately in 1983, 1984, 1985 and in each of the first six months of 1986; and

(e) how many bids with value, which have been returned by the EXIM Bank to the concerned companies in each of the first six months of 1986 for both countries separately and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) Yes, Sir.

(b) As per the information furnished by EXIM Bank, total payments due to Indian companies are given below:

(Rs. in Crores)

	In Iraq	In Libya
As on 31-12-1985 .	583	168
As on 30-6-1986 .	623	174

(c) ECGC have reported that the value of business for construction project booked by ECGC is as follows:

(Rs. in crore)

Year	Iran	Libya
1983	NIL	24·38
1984	12 72	—
1985	238·46	6·93
1986:	—	—
January	—	—
February	18.49	—
March	—	—
April	—	—
May	—	—
June	88·06	—

(d) EXIM Bank has reported that the value of bids for construction projects cleared by the Working Group of EXIM Bank for 1983, 1984, 1985 and first half of 1986 are given below:

(Rs. in crores)

Year	For Libya	For Iraq
1983	59	61
1984	403	940
1985	28	1953
First Six months of 1986	Nil	31

(e) It has been reported by EXIM Bank that in case of Iraq, ten bids of aggregate value of Rs. 250 crores were declined in the first six months of 1986 as they did not conform to the guidelines. In respect of Libya, 2 bids of aggregate value of Rs. 152 crores were declined as these did not meet with appraisal criteria and viability norms relating to foreign currency overdraft requirements and profitability.

Remittances from Workers employed in Gulf Countries

1925. SHRI BHAGATRAM MANHAR: Will the Minister of FINANCE be pleased to state:

(a) what is the quantum of remittance from Indians in the Gulf countries in each year from 1983 to 1985 and the estimates for 1986: